

Sub B3

means for receiving the account data electronically from time-to-time during a billing cycle by the service provider from each of the billers, each reading out transactions one at a time to an accounts receivable computer system of the service provider;

means for storing the account data at a customer level in a computer database of the service provider;

means for acquiring ownership by the service provider of receivables represented by the account data under the contractual arrangement when the account data is received by the service provider;

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means for remitting payment for the receivables to the billers by the service provider within a pre-determined period after receiving the account data;

means for automatically calculating account charges for the plurality of customer accounts from the account data;

means for aggregating account charges for at least one customer on a plurality of customer accounts;

means for automatically generating a combined bill for the customer at a pre-determined cycle time for the customer's account, ;

means for automatically formatting a combined bill for the customer from the aggregated account charges; and

means for automatically rendering the combined bill to the customer as a debt to the service provider as owner of the receivable represented by the combined bill.

#### REMARKS

The foregoing amendment clarifies the expression of the invention. For example, amended independent claims 1 and 50 and new independent claims 54 and 55 focus on aspects of applicant's invention in which the service provider, upon receiving the account data electronically from the billers from time-to-time, acquires ownership of the receivables represented by the account data under contractual arrangements with the billers (Spec. p. 7, lines 7-15). In addition, new independent claims 54 and 55 focus specifically on the service provider, as the owner of the receivables, rendering a combined bill to the customer, which represents a debt of the customer to the service provider, rather than to the biller from whom the receivables were purchased (Spec., p. 7, lines 7-15). Claims 2, 3, 7, and 8, which depend on

claim 1, are deemed superfluous in view of amended independent claim 1 and are cancelled.

Claims 1-4, 7, 9-16, 19-22, 32-35, 38-41 and 51-53 stand rejected over Saville (Defining the Convergent Billing Marketplace, Spring 1997) under 35 U.S.C. 102(e). The rejection of claims 1-4, 7, 9-16, 19-22, 32-35, 38-41 and 51-53 is respectfully traversed and reconsideration is requested. The reference asserted does not teach or suggest the subject invention. Claims 1 and 50 stand rejected over Nelson (U.S. Patent No. 6,032,132) under 35 U.S.C. 102(e). The rejection of claims 1 and 50 is respectfully traversed and reconsideration is requested. The reference asserted does not teach or suggest the subject invention. Claims 5, 6, 8, 17, 18, 23-31, 36, 37 and 42-49 stand rejected over Saville (Defining the Convergent Billing Marketplace, Spring 1997) in view of Smorodinsky (U.S. Patent No. 6,049,786) under 35 U.S.C. 103(a). The rejection of claims 5, 6, 8, 17, 18, 23-31, 36, 37 and 42-49 is respectfully traversed and re consideration is requested. The references asserted do not teach or suggest the subject invention. In particular, the examiner is respectfully requested to furnish references to support the reliance on official notice, which is not admitted, for the rejection of claims, including at least the rejection of claims 30, 31, and 42-48.

As brief background, in the applicant's claimed invention, a service provider, such as a bank or other financial institution, contracts with various companies to have all of their bill data delivered to the service provider electronically. The service provider stores the data at a customer level in its computer system. 'At the appropriate cycle time for a particular customer's account (i.e., the time at which the service provider delivers a statement once a month to the customer), the service provider's computer system automatically generates a combined statement and delivers it to the customer (Spec. p. 5, line 28-p. 6, line 5).

The service provider receives the data electronically from the billers, and it is stored in the service provider's computer database. A single transaction is written out by the service provider's accounts receivable computer system. At different times in the month, the service provider receives data electronically, for example, for two or three different bills for a customer, which are reading out transactions one at a time to the service provider's accounts receivable system. The service provider can also be receiving, for the same customer, the customer's bill data for goods/services furnished by various vendors, each reading out a transaction into the service provider's accounts receivable system (Spec. p. 6, lines 5-12).

When the accounts receivable system actually cycles, having accumulated the entire balance, any finance charge, late payment charge, or miscellaneous fees, computing the minimum payment amount and basically keeping the account in balance, a data image is forwarded to the service provider from the service provider's processing system. The service provider identifies each of those individual transactions that are read out and pulls them off of the statement and replaces them with the full image of the statement. Accordingly, the customer receives a complete branded statement for goods/services furnished by the various vendors, and with a summary page with multiple payment options from which the customer can pay the account (Spec. p. 6, lines 15-25).

The service provider receives transactions throughout the period, for example, of a month, and if a customer misses a payment, the service provider has already settled with each individual vendor of goods/services. The service provider's system is provided with different authorization parameters in dealing with customers of the billers, but the service provider is responsible for undertaking its own collections efforts against all of the balances that are left unpaid. Eventually, the matter may be referred to a collection agency that actually undertakes legal action to collect the debt on behalf of the service provider as the owner of the receivables (Spec. p. 6, line 26-p. 7, line 7).

In an important aspect of the present invention, the receivables are actually purchased by the service provider from each of the individual vendors furnishing goods/services under a contractual arrangement with the vendors, and paid for by the service provider within a short period of time after the service provider receives the statement from the vendor furnishing the goods or services. However, ownership of the receivable is passed to the service provider from the day the account data is received. Therefore, the debt is the liability of the service provider, and it is up to the service provider to use its expertise in order to maximize the collection performance and minimize the overall bad debt rate of all of the accounts together (Spec. p. 7, lines 7-15).

An important advantage of this aspect is the potential for the billers, to finance, for example, their 30-day outstanding receivables at an improved cost. Many billers' ratings (e.g., Standards & Poors and/or Moodys) are based on higher risk bond ratings and therefore higher costs associated with company risk. Purchasing the receivables "one customer at a time" allows the service provider the ability to use its

open market systems to achieve a much improved cost that is mostly returned to the billers. Since the biller's risk of non-payment is eliminated and only the customer risk is left, the chance of a one hundred percent default risk (e.g., a customer goes out of business) is eliminated, resulting in better financing rates provided by the service provider's position. (Spec. p. 5, lines 18-27).

Thus, in an important aspect of applicant's claimed invention, the service provider, upon receiving the account data electronically from the billers from time-to-time, acquires ownership of the receivables represented by the account data under contractual arrangements with the billers (Spec. p. 7, lines 7-15). These features, recited in independent claims 1 and 50 and new independent claims 54 and 55, as well as additional features of the dependent claims, are believed to be clearly patentable over the applied prior art. In another important aspect of applicant's claimed invention, the service provider, as the owner of the receivables, renders a combined bill to the customer, which represents a debt of the customer to the service provider, rather than to the biller from whom the receivables were purchased (Spec., p. 7, lines 7-15). These features, recited in new independent claims 54 and 55 are likewise believed to be clearly patentable over the applied prior art.

The above-noted aspects are not disclosed or suggested by the various references asserted against the claims of record. Specifically, the asserted references fail to provide key features of the invention, and the claimed invention is patentably distinct from the cited references.

The "convergent" billing system mentioned in the Saville article is not capable of combined billing according to applicant's claimed invention. On the contrary, the article deals with a convergent billing system that bundles all of a consumer's charges on various services provided by a particular biller into a single convergent bill. For example, the article discusses convergent billing as a way, for example, for a telecom provider to lock in customers by offering a single bill that includes bundled products and services to give their customers a full view of all their telecom services (p. 2, lines 8-11). According to the Saville article, a convergent billing system should adopt to a particular biller's current service offerings, including PCS/cellular, cable, local, long distance, Internet, intranet, interconnect, carrier access and information content billing and that the billing should be integrated (p. 2, lines 37-44).

The article mentions that Saville provides a system for combined power, light and telephone services, and says that a convergent billing platform enables a biller to

rate and bill local, long distance, Internet, cable, wireless, and data network services on a single invoice. (p.3, lines 13-23). The Saville article reports that rated activities that rated are stored on on-line screens as unbilled usage, and when the customer's bill cycle is due, a single process calculates, generates, and updates usage with the latest billing information (p. 4, lines 10-15). The Saville article notes that it is able to deliver a single convergent bill to the customer, (p. 6, lines 16-20) and a customer structure that can be pointed to an account for group billing (p. 6, lines 28-30). The Saville article neither teaches nor suggests a system and method for combined billing in which the service provider, upon receiving the account data electronically from the billers from time-to-time, acquires ownership of the receivables, and/or in which the service provider, as the owner of the receivables, renders a combined bill to the customer, which represents a debt of the customer to the service provider, as contemplated by applicant's claimed invention.

The system of Nelson has nothing to do with combined billing. On the contrary, Nelson focuses on an automated cost management system that enables a communication carrier service provider to automate payment to other communication carrier service providers for the use of their services and equipment. Billed charges are received by a cost processor 8 from the communication carrier service providers, and the cost processor checks the integrity of the information and converts it to a format in which it can be further processed (column 5, lines 50-65). A validation processor 9 checks the individual items of the bill as to whether the rate information charged by the communication carrier service providers matches established or negotiated rates (column 7, lines 22-38).

According to the Nelson patent, any discrepancies are processed in a dispute management module 10, which creates, packages, and manages disputes, and the dispute can be tracked, reviewed, and closed after resolution (column 8, lines 20-31). In the final step of the process, an electronic payment file is transmitted to accounts payable for accounting and payment processing (column 11, lines 12-14). Nor does the Nelson patent teach or suggest a system and method for combined billing in which the service provider, upon receiving the account data electronically from the billers from time-to-time, acquires ownership of the receivables, and/or in which the service provider, as the owner of the receivables, renders a combined bill to the customer, which represents a debt of the customer to the service provider, as contemplated by applicant's claimed invention.

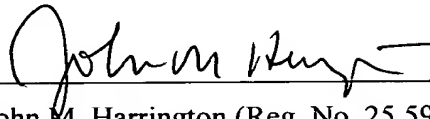
Smorodinsky is not capable of combined billing. On the contrary, Smorodinsky focuses on an electronic bill presentment and payment system which employs hashes and digital signatures to avoid cheating by billers and/or customers, and which has nothing to do with combined billing. The Smorodinsky system includes biller computers 10, a bill presentment computer 20, and customer computers 30, all interconnected to one another. Each biller computer receives and stores detailed sales and service data for various customers, which is arranged as one or more complete bills for each customer. Each biller computer generates a summary and a digitally signed hash of each complete bill and sends the bill summary and digitally signed hash to the bill presentment computer, which stores the bill summary and hash (column 4, lines 1-52).

When an operator requests a list of current unpaid bills, the request is sent to the bill presentment computer, which generates and sends the requested list to the customer computer. If the operator requests to see a particular bill summary, the bill presentment computer which obtains the requested bill summary, as well as the digitally signed hash of the corresponding complete bill, and sends them to the customer computer (column 4, lines 53-65). The customer computer decrypts the digitally signed hash, recomputes a new hash on the complete bill, and compares the decrypted hash with the new recomputed hash. (column 5, lines 40-65). Likewise, the Smorodinsky patent does not teach or suggest a system and method for combined billing in which the service provider, upon receiving the account data electronically from the billers from time-to-time, acquires ownership of the receivables, and/or in which the service provider, as the owner of the receivables, renders a combined bill to the customer, which represents a debt of the customer to the service provider, as contemplated by applicant's claimed invention.

The claimed combinations are not taught or suggested by Saville, Nelson or Smorodinsky, either separately or in combination with one another. It is also noted that none of the remaining references cited but not applied by the Examiner disclose the claimed features of applicant's invention. In view of the foregoing amendment and these remarks, each of the claims remaining in the application is in condition for immediate allowance. Accordingly, the Examiner is requested to reconsider and withdraw the rejection and to pass the application to issue.

Respectfully submitted,

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John M. Harrington (Reg. No. 25,592)  
for George T. Marcou (Reg. No. 33,014)

Kilpatrick Stockton LLP  
700 13th Street, NW, Suite 800  
Washington, DC 20005  
(202) 508-5800

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